

MINUTES
ALABAMA REAL ESTATE APPRAISERS BOARD
RSA UNION STREET
SUITE 370
MONTGOMERY, ALABAMA
May 28, 2020

MEMBERS PRESENT:

Mr. Robert Butler (Chairman)
Mr. Billy Cotter (Vice-Chairman)
Mr. Richard D. Pettey
Mr. Mark Haller
Mr. Roger Ball
Ms. Patrice McClammy
Mr. Chad Anderson
Mr. Lew Watson
Mr. Drew Watson

MEMBERS ABSENT:

None

OTHERS PRESENT:

Mrs. Lisa Brooks, Executive Director
Ms. Neva Conway, Legal Counsel
Mrs. Carolyn Greene, Executive Secretary
Mr. Sam Davis, Investigator

GUESTS PRESENT:

Mr. Edward Travis

- 1.0 Mr. Robert Butler, Chairman, called the meeting to order at 9:02 a.m. Mrs. Carolyn Greene, Executive Secretary, recorded the minutes. The meeting was held via teleconference. Prior notice of the meeting was posted on the Secretary of State's website on May 12, 2020 in accordance with the Alabama Open Meetings Act.
- 2.0 The meeting was opened with prayer, led by Mr. Cotter, and the Pledge of Allegiance, led by Mr. Lew Watson.
- 3.0 Mr. Butler asked Mrs. Greene to call a voice roll to establish a quorum. Members present were Mr. Richard D. Pettey, Mr. Billy Cotter, Mr. Roger Ball, Mr. Mark Haller, Ms. Patrice McClammy, Mr. Lew Watson, Mr. Chad Anderson, Mr. Drew Watson and Mr. Robert Butler. There were no members absent.

Mr. Butler welcomed guest Mr. Ed Travis to the meeting.

- 4.0 On motion by Ms. McClammy and second by Mr. Lew Watson, the regular minutes for January 16, 2020 were approved as written with the corrections listed. Motion carried by unanimous vote.

At this time, Ms. Conway administered the oath of office to Mr. Andrew Dunn (Drew) Watson, who replaces Ms. Angela Frost as the AMC member. The Board and Staff welcomed Mr. Watson to the Board.

- 5.0 Ms. Conway stated that there was nothing new to report on the Federal Trade Commission VS Louisiana Real Estate Appraisers Board.

Ms. Conway reported on the Dental Board VS Smile Direct Club, which is another antitrust case that is challenging Alabama Law on supervision of regulatory boards.

- 6.0 Ms. Conway and Ms. McClammy discussed the proposed statute changes to §34-27A-15 and §34-27A-55 to resolve significant issues cited by the Examiners of Public Accounts. The proposed legislation did not make it out of Committee and will need to be brought back up next year when the Legislature meets. Ms. Conway will draft new administrative regulations to present to the Board at the July Board meeting.

Ms. Conway discussed the proposed rule changes to 780-X-2-.01, Definitions of Terms; 780-X-3-.06 – Qualifying Education Curricula Approved by the Board for Licensure as a Real Property Appraiser; 780-4.02 – Application and License Fees; 780-X-5 – Curricula Approved by the Board; 780-X-6 – Experience; 780-X-7-.02 – References; 780-X-8-.01 – Eligibility for Examination; 780-X-9 – Classification of Real Estate Appraisers; 780-X-10-.02 - Certificates; 780-X-12, Expirations, Renewals and Continuing Education; 780-X-13-.01 – Adoption of Uniform Standards of Professional Appraisal Practice; 780-X-14 – Disciplinary Action; 780-X-17 Appraisal Management Company; and 780-X-18 – Appraisal Management Company Forms. On motion by Mr. Pettey and second by Mr. Cotter, the Board voted to adopt the changes as written subject to Mr. Drew Watson's approval of 780-X-17, to file them with Legislative Reference Services and to submit for final certification if no comments are received during the comment period. Motion carried by unanimous vote.

- 7.0 On motion by Mr. Lew Watson and second by Mr. Ball, the following applications were voted on as listed. Motion carried by unanimous vote.

- 7.1 **Trainee Real Property Appraiser applications approved:** Newton L. Ace (Recip)(FL), John Darryl Curry, Jr., Kevin Bruce Gilstrap, Brian Wesley Haynes, Rhonda Sue Pickett, Joseph Anthony Raborg, Cynthia TeeAnne Stacy and R. Jason Wright. **Applications deferred:** None. **Applications denied:** None.

Trainee Real Property Appraiser Experience Logs for Review: **Logs approved:** Gregory Blankenship, Ashley V. Howell, Taylor Porch McKenzie, Benjamin Ryan Sanford and Trent Self. **Logs deferred:** Maurice Lyon Courtney and Charles Robert Davis. **Logs denied:** None.

- 7.2 **State Registered Real Property Appraiser applications approved:** None. **Applications deferred:** None. **Applications denied:** None.
- 7.3 **Licensed Real Property Appraiser application approved:** Trent Self. **Applications deferred:** None. **Applications denied:** None.
- 7.4 **Certified Residential Real Property Appraiser applications approved:** Christopher Chase Amis, Gregory Blankenship, Ronald Eugene Burk (Recip)(OK), Mindi Cohen (Recip)(FL), Drew Ann Lambert, David Martin, John Crawford Rogers (Recip)(TX) and David Allen Tucker. **Applications deferred:** Adolphus Catlin Cade. **Applications denied:** None.
- 7.5 **Certified General Real Property Appraiser applications approved:** Daniel Bruce Boring (Recip)(FL), Alonzo Eugene Bryant (Recip)(GA), Julie M. Cheek (Recip)(GA), Brent Jason Dickey (Recip)(TX), Jonathan Christian Entrekin, Tanner Etheredge (Recip)(TX), Seve Gunter, Matthew Thornton Hargett (Recip)(LA), Colin Michael Knust (Recip)(IL), Roger Gordon Land (Recip)(TX), Brent William Maier (Recip)(IL), Brian Curtis Neukam (Recip)(GA), John Robert Praytor (Recip)(MS), Wyatt Henry Roberts (Recip)(MS), Bennett James Sands (Recip)(GA), Bradley Gunther Savage (Recip)(TX), Lee Robert Smalley (Recip)(FL) and Marvin Terome Wooley (Recip)(GA). **Application deferred:** None. **Applications denied:** None.
- 7.6 **Mentor application approved:** Roland Coan, Britton Falkner and Nathan Wallace. **Applications deferred:** None. **Applications denied:** None.
- 8.0 Mr. Pettey presented the Finance report for April 2019-2020 and stated that the Board was 59% into Fiscal Year 2020 and 37% into budget expenditures. Mr. Pettey stated that there were no negative trends that could not be reconciled at this time.
- Mr. Pettey suggested, in light of the balance in the 606 Fund, the Board consider decreasing appraiser's license fees.
- Mr. Lew Watson suggested providing all licensees with a copy of USPAP instead of reducing license fees. The Board discussed the costs of furnishing paper copies of USPAP versus an electronic copy of USPAP.
- Mrs. Brooks discussed upcoming expenditures with the Board, including the hiring of a new investigator and a vehicle for that investigator, and also explained that because of state law restrictions the Board could not increase or decrease license fees within 5 years of the last change.
- Ms. McClammy requested that this discussion be sent to the Budget Committee for further research and discussion.
- On motion by Ms. McClammy and second by Mr. Cotter, the Board voted to approve the Finance Report. Motion carried by unanimous vote.

9.0

On motion by Mr. Lew Watson and second by Ms. McClammy, the following education courses and instructor recommendations were approved, deferred, or denied as indicated. Motion carried by unanimous vote.

AMERICAN CONTINUING EDUCATION INSTITUTE

New Application:

- (CE) 2020-2021 7-Hour Equivalent USPAP Update Course – 7 Hours – Online
(Instructor: Amy McClellan)
Both Course and Instructor Approved

AMERICAN SOCIETY OF APPRAISERS

New Application:

- (CE) 2020-2021 7-Hour National USPAP Course – 7 Hours – Classroom
(Instructor: Ernest Demba)
Instructor Approved

APPRAISAL INSTITUTE – ALABAMA

New Applications:

- (CE) Conservation Easements: Legal, Appraisal, Accounting and Ethical Issues - 2020 – 5 Hours – Classroom
(Instructors: Ronald Levitt, Greg Rhodes, Philip Paulk, Lucas Von Esh, Randy Bowen, Katherine Eddins and Alex Robertson)
Both Course and Instructors Approved
- (CE) How Tenants Create or Destroy Value: Leasehold Valuation & Its Impact on Value – 7 Hours – Classroom
(Instructor: Leslie Sellers)
Both Course and Instructor Approved

APPRAISAL INSTITUTE – NATIONAL

New Applications:

- (CE) Practical Applications in Appraising Green Commercial Properties - 14 Hours – Classroom
(Instructor: Timothy Runde)
Both Course and Instructor Approved

- (CE) Practical Applications of the Residential Sales Comparison – 4 Hours – Online
(Instructor: Alan Simmons)
Both Course and Instructor Approved
- (LIC) 2020-2021 15-Hour Equivalent USPAP Course – 15 Hours – Online
(Instructor: Thomas Kirby)
Both Course and Instructor Approved
- (CE) Business Practices and Ethics – 6 Hours – Online
(Instructor: Steven Shockley)
Both Course and Instructor Approved
- (LIC) General Appraiser Site Valuation and Cost Approach – 30 Hours – Online
(Instructor: Robert Moorman)
Both Course and Instructor Approved
- (CE) Desktop Appraisals (Bifurcated, Hybrid) and Evaluations – 7 Hours – Classroom
(Instructor: Sandra Adomatis)
Both Course and Instructor Approved
- (CE) Measure it Right: Using the ANSI-Z765-2013 Standard for Residential Properties – 4 Hours – Online
(Instructor: Craig Harrington)
Both Course and Instructor Approved

MCKISSOCK, LP

New Applications:

- (CE) Live Webinar: Residential Property Inspection – 3 Hours – Online
(Instructors: Dan Bradley, Dale Shea, Robert McClelland, Robert Frazier, Steve Maher and Matthew Shake)
Both Course and Instructors Approved
- (CE) Live Webinar: Appraising Complex Residential Properties – 3 Hours – Online
(Instructors: Dan Bradley, Dale Shea, Robert McClelland, Robert Frazier, Steve Maher and Matthew Shake)
Both Course and Instructor Approved
- (CE) 2020-2021 7-Hour USPAP Update Course for Non-Residential Real Property – 7 Hours – Online
(Instructor: Dan Bradley)
Both Course and Instructor Approved

- (CE) Appraising Today's Manufactured Homes – 7 Hours – Online
(Instructor: Dan Bradley)
Both Course and Instructor Approved
- (CE) Live Webinar: Analyze This! Applications of Appraisal Analysis – 4 Hours – Online
(Instructor: Matthew Shake)
Instructor Approved
- (CE) Live Webinar: Appraisal Practices of Manufactured Housing – 4 Hours – Online
(Instructor: Matthew Shake)
Instructor Approved
- (CE) Live Webinar: Appraising Small Apartment Properties – 4 Hours – Online
(Instructor: Matthew Shake)
Instructor Approved
- (CE) Live Webinar: Be Compliant and Competitive with Restricted Appraisal Reports – 3 Hours – Online
(Instructor: Matthew Shake)
Instructor Approved
- (CE) Live Webinar: Expert Witness Testimony: To Do or Not to Do – 4 Hours – Online
(Instructor: Matthew Shake)
Instructor Approved
- (CE) Live Webinar: Fannie Mae Appraisal Guidelines – 4 Hours – Online
(Instructor: Matthew Shake)
Instructor Approved
- (CE) Live Webinar: Focus on FHA Minimum Property Requirements – 4 Hours – Online
(Instructor: Matthew Shake)
Instructor Approved
- (CE) Live Webinar: Issues in Appraiser Liability – 4 Hours – Online
(Instructor: Matthew Shake)
Instructor Approved
- (CE) Live Webinar: Recognizing Mortgage Fraud and its Effects – 4 Hours – Online
(Instructor: Matthew Shake)
Instructor Approved

- (CE) Live Webinar: REO Appraisal: Guidelines and Best Practices – 4 Hours – Online
(Instructor: Matthew Shake)
Instructor Approved
- (CE) Live Webinar: The Appraisal of 2-4 Unit Properties – 4 Hours – Online
(Instructor: Matthew Shake)
Instructor Approved
- (CE) Live Webinar: The FHA Handbook 4000.1 – 5 Hours – Online
(Instructor: Matthew Shake)
Instructor Approved
- (CE) Live Webinar: Workfile: Your Best Defense Against an Offense – 5 Hours – Online
(Instructor: Matthew Shake)
Instructor Approved
- (CE) Live Webinar: A Review of Disciplinary Cases – 3 Hours – Online
(Instructor: Matthew Shake)
Instructor Approved
- (CE) Live Webinar: Adjustment Support for Residential Appraisers 4 Hours – Online
(Instructor: Matthew Shake)
Instructor Approved

ONCOURSE LEARNING REAL ESTATE

New Application:

- (CE) 2020-2021 7-Hour Equivalent USPAP Update Course – 7 Hours – Online
(Instructor: Augustus Black)
Both Course and Instructor Approved

THE COLUMBIA INSTITUTE

New Application:

- (CE) 2020-2021 7-Hour Equivalent USPAP Update Course – 7 Hours – Online
(Instructor: Heather Sullivan)
Both Course and Instructor Approved

Mrs. Brooks asked the Board to give her authority to grant retroactive approval of education in the future due to COVID-19. On motion by Mr. Lew Watson and second by Ms. McClammy, the Board voted to give Mrs. Brooks the authority to retroactively approve education. Motion carried by unanimous vote.

10.0 There was no disciplinary report to review at this time.

Ms. Conway reported on the Attorney General's Opinion that the Board asked her to request with the following questions:

- (1) May the Real Estate Appraisers Board assess the costs of investigation and administrative proceedings in informal settlements of disciplinary actions when the amount exceeds the total authorized by the Board's enabling statute?
- (2) May the Board assess the costs if the settlement document does not contain admissions by the licensee of violations of Board statutes or regulations?
- (3) May the Board assess the costs if the settlement document does not specify violations of Board statutes or regulations?

The Attorney General's conclusion and opinion was that the Board may enter into a settlement with a licensee that includes the collection of investigative and administrative costs.

Ms. Conway discussed with the Board the investigative status charts. Ms. Conway informed the Board 16 new Appraiser complaints and no new Appraisal Management Company (AMC) complaints were received since the January 2020 Board meeting, no complaints were dismissed, and 3 complaints were settled, leaving a total of 48 open complaints.

11.0 The Board reviewed Probable Cause Report **AB-18-28**: With Mr. Butler and Mr. Anderson recusing, on motion by Ms. McClammy and second by Mr. Ball, the Board voted that probable cause does not exist and to issue a Letter of Counsel. Motion carried by unanimous vote.

The Board reviewed Probable Cause Report **AB-19-01**: With Mr. Butler and Mr. Anderson recusing, on motion by Mr. Lew Watson and second Ms. McClammy, the Board voted that probable cause does exist and to set this case for a hearing. Motion carried by unanimous vote.

The Board reviewed Probable Cause Report **AB-19-02**: With Mr. Butler and Mr. Anderson recusing, on motion by Mr. Pettey and second by Mr. Ball, the Board voted that probable cause does exist and to set this case for a hearing. Motion carried by unanimous vote.

The Board reviewed Probable Cause Report **AB-19-03**: With Lew Watson recusing, on motion by Ms. McClammy and second by Mr. Pettey, the Board voted that probable cause does exist and to set this case for a hearing. Motion carried by unanimous vote.

The Board reviewed Probable Cause Report **AB-19-04**: With Lew Watson recusing, on motion by Ms. McClammy and second by Mr. Pettey, the Board voted that probable cause does exist and to set this case for a hearing. Motion carried by unanimous vote.

The Board reviewed Probable Cause Report **AB-19-05**: With Lew Watson recusing, on motion by Ms. McClammy and second by Mr. Pettey, the Board voted that probable cause does exist and to issue a Letter of Warning. Motion carried by unanimous vote.

The Board reviewed Probable Cause Report **AB-19-06**: With Lew Watson recusing, on motion by Ms. McClammy and second by Mr. Ball, the Board voted that probable cause does exist and to set this case for a hearing. Motion carried by unanimous vote.

The Board reviewed Probable Cause Report **AB-19-22**: With Mr. Anderson recusing, on motion by Ms. McClammy and second by Mr. Haller, the Board voted that probable case does not exist and to dismiss this case. Motion carried by unanimous vote.

The Board reviewed Probable Cause Report **AB-19-23**: With Mr. Anderson recusing, on motion by Ms. McClammy and second by Mr. Haller, the Board voted that probable case does not exist and to dismiss this case. Motion carried by unanimous vote.

The Board reviewed Probable Cause Report **AB-19-25**: With Mr. Anderson recusing, on motion by Ms. McClammy and second by Mr. Haller, the Board voted that probable case does not exist and to dismiss this case. Motion carried by unanimous vote.

- 12.0 There were no Negotiated Settlements to review at this time.
- 13.0 The following reciprocal license was issued since the January Board meeting: Newton L. Ace ('T' FL), Daniel Bruce Boring ('G' FL), Alonzo Eugene Bryant ('G' GA), Ronald Eugene Burk ('R' OK), Julie M. Cheek ('G' GA), Mindi Cohen ('R' FL), Brent Jason Dickey ('G' TX), Tanner Etheredge ('G' TX), Matthew Thornton Hargett ('G' LA), Colin Michael Knust ('G' IL), Roger Gordon Land ('G' TX), Brent William Maier ('G' IL), Brian Curtis Neukam ('G' GA), John Robert Praytor ('G' MS), Wyatt Henry Roberts ('G' MS), John Crawford Rogers, Jr. ('R')(TX), Bennett James Sands ('G' GA), Bradley Gunther Savage ('G' TX), Lee Robert Smalley ('G' FL) and Marvin Terome Wooley ('G' GA).
- 14.0 The Temporary Permit report was provided to the Board for their information.
- 15.0 The Appraisal Management report was provided to the Board for their information.

- 16.0 Mrs. Brooks presented a letter from Mr. Edward F. Travis, Certified General Real Property appraiser, asking that he be allowed to rescind the request to close his license that he submitted when he thought he was going to retire. Mr. Travis also spoke to the Board. On motion by Mr. Anderson and second by Mr. Ball, the Board voted to allow Mr. Travis to bring his license up to date if he meets all requirements and renews his license for the 2019-2020 license year by the deadline of September 30, 2020. Motion carried by unanimous vote.

The Investigator position discussion was deferred until the July board meeting.

Mr. Anderson discussed an issue he has encountered regarding Tax Assessor GLA vs. measured GLA. Mr. Anderson asked the Board to consider an appraisal GLA question about a particular condominium project in south Alabama. The Board discussed how to competently develop and report appraisals where the reported GLA of comparable sales is known to be overstated by the HOA and the appraiser has no way to confirm the actual measurement of the comparable properties. The Board concluded that documentation of the file is the best solution for the appraiser faced with that challenge. It was also the conclusion of the discussion that the problem probably was with the underwriters of the loans and not with the regulatory agency.

Mrs. Greene discussed an email from Mr. Byron Claybrook, requesting guidance on the Trainee/Mentor guidelines. Mrs. Greene will send the current regulations to Mr. Claybrook. After much discussion, Ms. McClammy suggested that this matter be referred to the Legislative Committee to explore changes that need to be made to the regulation.

Mrs. Brooks included a news article regarding a Tennessee Bill that would remove license requirements for board information.

- 17.0 There was no unfinished business to discuss at this time.

- 18.0 Mr. Drew Watson asked Mrs. Brooks about the Board website. Mrs. Brooks update the Board about the progress of the new website.

The newsletter article discussion was deferred until the July board meeting.

- 19.0 At 11:51 a.m., on motion by Mr. Cotter and second by Mr. Butler, the Board voted to adjourn the regular Board meeting. Motion carried by unanimous vote. The Board's tentative meeting schedule for the remainder of 2020 is July 16, 2020; September 17, 2020 and November 19, 2020 in the 3rd Floor Conference Room, 100 North Union Street, Montgomery, Alabama.

Sincerely,

Carolyn Greene
Executive Secretary
/cg

APPROVED: _____
Robert Butler, Chairman